

# Congress of the United States

Washington, DC 20515

October 11, 2002

The Honorable Mitchell E. Daniels, Jr.  
Director  
Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, D.C. 20503

Dear Mr. Daniels:

On October 9, 2002 Under Secretary Hawks met with Members of the Virginia delegation regarding compensation for poultry growers as a result of the Department's depopulation efforts to control the avian influenza outbreak.

The concerns raised by Members during the meeting need to be addressed in a timely manner. It is imperative that the Administration release the full \$69.2 million dollars allocated by your office on August 5, 2002. The poultry industry in Virginia acted responsibly by following eradication procedures set forth by USDA to curtail the spread of the disease. Without their cooperation and support the further spread or mutation of this disease to its highly pathogenic form would have had devastating consequences nation wide for the industry. Growers and integrators suffered debilitating financial losses as a result of the eradication effort to prevent the spread of the disease. Many of these producers have been held under quarantine for some time and have not been allowed to resume raising birds on their farms. Without quick and timely indemnity payments many of these producers face bankruptcy and the potential loss of their farms.

USDA has indicated that all eligible losses to growers and up to 50 percent of eligible losses of companies, minus any amount paid to the grower of a flock will be paid. As a result of USDA's eradication process, it seems reasonable that the Department pay for the entire loss as opposed to a minute portion. USDA was not worried about setting a precedent concerning the depopulation of birds, and the same should be true in allocating funds to reimburse producers for their losses.

The amount of time that the Department has taken with regard to getting the funds out to growers is unacceptable. For instance, APHIS announced on August 6, 2002 that indemnity would be provided to Virginia poultry producers. That announcement was made over two months ago and funds have not been sent to producers. Yet, in another matter USDA announced on September 19, 2002 that funds would be made available for livestock producers in counties that have received primary disaster designation due to drought in 2001 and/or 2002. Sign up for this began October 1, 2002 and payments went out as early as October 8<sup>th</sup>. From the time of the announced funds for the Livestock


Compensation Program to the first payments being issued was little over two weeks. It can be argued that USDA has moved expeditiously to aid livestock producers hurt by the drought but are failing in the effort to help poultry producers devastated by another kind of disaster, avian influenza.


Once the funds are cleared, USDA must get them to growers as soon as possible. The signup period and determination of who is eligible should be swift and accurate in order that growers may offset the economic hardships of lost production and income.


In case after case the Department has aided producers. Whether releasing funds for feed programs, declaring emergency loans for producers in drought stricken counties, emergency haying and grazing on CRP acreage, approving funds for economically troubled rural communities, or immediate assistance for livestock producers, the Department has come to the aid of producers. It is time to come to the aid of Virginia poultry producers. Just as drought in states across this nation has led to disaster, avian influenza has led to a disaster in Virginia.

In closing, we hope that the above mentioned concerns expedite the process of providing relief to the affected poultry producers. Thank you for your continued attention to this important issue.

Sincerely,

  
George Allen  
Member of Congress

  
Bob Goodlatte  
Member of Congress

  
Eric Cantor  
Member of Congress

  
John Warner  
Member of Congress

  
Frank Wolf  
Member of Congress

xc: Bill Hawks